

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler
 Dwight D. Keen

In the Matter of Westar Energy, Inc. and)
Kansas Gas and Electric Company Seeking) Docket No. 19-WSEE-013-TAR
Commission Approval for Tariff Revisions to)
the 2018 Energy Efficiency Rider.)

ORDER APPROVING TARIFF REVISIONS CONSISTENT WITH STAFF'S POSITION

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records, and being duly advised in the premises, the Commission makes the following findings:

I. Background

1. On July 13, 2018, Westar Energy, Inc. and Kansas Gas and Electric Company (collectively, "Westar") filed a letter with the Commission with attached tariff pages requesting adjustments to its Energy Efficiency Rider (EER) rate for November 2018 through October 2019. Specifically, Westar sought to increase the kWh rate (EE Factor) from \$0.000231 to \$0.000257.

2. Westar explained in its letter that it has been authorized to collect expenses for the following energy efficiency programs through the EER rider: WattSaver Air Conditioner Cycling Program (Docket No. 09-WSEE-636-TAR); Energy Efficiency Demand Response Program (Docket No. 10-WSEE-141-TAR); and Simple Savings Program Rider (Docket No. 10-WSEE-775-TAR).

II. Jurisdiction and Standard of Review

3. The Commission holds full power, authority and jurisdiction to supervise and control Westar as an electric public utility pursuant to K.S.A. 66-101. The Commission holds

jurisdiction over Westar's rates and terms of service under K.S.A. 66-101b. All tariff revisions requested by Westar pertaining to jurisdictional service must be approved by the Commission pursuant to K.S.A. 66-117.¹

4. According to K.S.A. 66-101b, any rates charged by Westar must be just and reasonable. The rates may not be unreasonably discriminatory or unduly preferential.

III. Staff's Report and Recommendation

5. On September 14, 2018, the Commission's technical staff (Staff) filed a Report and Recommendation (R&R) with respect to Westar's request.²

6. Staff explained in its R&R that Westar requested recovery of \$4,998,688 in total expenses for July 1, 2017, through June 30, 2018.³ Staff requested and received workpapers, supporting invoices, and general ledger/journal entry support for these costs.⁴

7. Staff then reviewed the expenses for the programs provided in Westar's schedules and compared them with Staff's historical understanding of the purpose and scope of the programs.⁵ Staff also compared the actual expenses incurred for each program as compared to their budgeted amounts.⁶

8. Ultimately, Staff recommended removal of one expenditure related to the WattSaver Air Conditioning Cycling Program. Staff explained that Westar has been sending WattSaver customers postcards twice a year since 2016. One postcard is sent before the cycling season to remind customers that they are enrolled in the program, and the second postcard is sent

¹Tariffs are those terms and conditions which govern the relationship between the utility and its customers. Sw. Bell Tel. Co. v. State Corp. Comm'n of State of Kan., 233 Kan. 375, 377, 664 P.2d 798, 800 (1983).

²Notice of Filing of Staff's Report and Recommendation (Sept. 14, 2018) (Staff's R&R).

³Staff notes in its R&R that the \$4,998,688 figure was derived by taking the total expenses for the approved energy efficiency programs from July 1, 2017, through June 30, 2018, and subtracting an over-recovery of \$1,182 from the prior period.

⁴Staff's R&R at 2.

⁵Staff's R&R at 2.

⁶Staff's R&R at 3.

post-cycling season to thank customers for being enrolled. Staff contends that sending out two postcards is unnecessary and inefficient. It costs Westar approximately \$10,800 to send out the post-cycling postcards. Therefore, Staff removed this expense and recommended a revised EER amount of \$4,987,852.⁷ Based on this total, the kWh rate would be \$0.000256 as compared to Westar's requested \$0.000257 for the EE Factor.⁸

9. Staff recommended that the Commission approve Staff's revised EER amount of \$4,987,852, with the condition that Westar be required to file its next EER tariff revisions in July 2019 to include costs for Commission approved programs incurred from July 2018 through June 2019.

IV. Findings and Conclusions

10. The Commission finds that Staff's findings and recommendations are reasonable and should be adopted.

11. No other party contested Staff's position on the record.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Westar shall be permitted to recover \$4,987,852 in energy efficiency program expense for the requested time period. Westar's EE Factor in its EER tariff shall be set at \$0.000256/kWh for the billing months of November 2018 through October 2019.

B. Westar shall file its next EER tariff revisions in July 2019 to include costs for Commission approved programs incurred from July 2018 through June 2019, including applicable true-ups.

C. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).

⁷Staff's R&R at 3.

⁸Staff's R&R at 1.

D. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further order, or orders, as it may deem necessary and proper.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 10/02/2018



Lynn M. Retz
Secretary to the Commission

MRN

CERTIFICATE OF SERVICE

19-WSEE-013-TAR

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail/hand delivered on 10/03/2018.

ROBIN ALLACHER, REGULATORY AFFAIRS
KANSAS GAS & ELECTRIC CO.
D/B/A WESTAR ENERGY
818 S KANSAS AVE
PO BOX 889
TOPEKA, KS 66601-0889
robin.allacher@westarenergy.com

COLE BAILEY, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3354
c.bailey@kcc.ks.gov

THOMAS J. CONNORS, ATTORNEY AT LAW
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
tj.connors@curb.kansas.gov

TODD E. LOVE, ATTORNEY
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
t.love@curb.kansas.gov

MICHAEL NEELEY, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3167
m.neeley@kcc.ks.gov

DAVID W. NICKEL, CONSUMER COUNSEL
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
d.nickel@curb.kansas.gov

SHONDA RABB
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
s.rabb@curb.kansas.gov

DELLA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
d.smith@curb.kansas.gov

LARRY WILKUS, DIRECTOR, RETAIL RATES
WESTAR ENERGY, INC.
FLOOR #10
818 S KANSAS AVE
TOPEKA, KS 66601-0889
larry.wilkus@westarenergy.com

/s/ DeeAnn Shupe

CERTIFICATE OF SERVICE

19-WSEE-013-TAR

DeeAnn Shupe